MST

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

CIVIL APPLICATION NO.3275 OF 2002
IN
FIRST APPEAL NO.277 OF 2004

United India Insurance Co.Ltd. Appellant
versus
Rangnath Changdev Banker & ors. Respondents

Sunil V. Chaubal for appellant.
Amit Sale for respondent nos.1 and 2.

CORAM : A.S.OKA, J.

DATE : 07th February 2007

PC :

1. Heard learned advocate for the applicant. The only contention raised in the appeal is that after the policy was issued, the cheque issued towards premium amount was dishonoured and, therefore, the policy was cancelled. The learned Trial Judge has held that the liability of the Insurance Company towards third party will continue.

2. Considering the aforesaid facts, even if the appellant succeeds in the appeal, the award made against the Insurered will remain as it is and in such event the applicant can always recover the amount of compensation from the insured. Hence,

no case is made out for grant of stay. The application is rejected. However, it is made clear that withdrawal of the compensation amount by the original claimants will be subject to the final outcome of the first appeal.

(A.S.OKA, J.)